

**THE CENTRAL ADMINISTRATIVE OFFICES OF
THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUZ,
OFFICES AND INSTITUTIONS**

*Financial Statements
and Supplementary Information*

June 30, 2009

(With Independent Auditor's Report Thereon)

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5/5/10

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

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A PROFESSIONAL CORPORATION

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INDEPENDENT AUDITOR'S REPORT

His Excellency
Most Reverend Sam G. Jacobs, D.D.
Bishop of the Diocese of Houma-Thibodaux

We have audited the accompanying consolidated statement of financial position of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions, as of June 30, 2009, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Diocese's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Diocese's consolidated financial statements do not contain certain provisions and/or disclosures required to conform to accounting principles generally accepted in the United States of America as follows:

- As discussed in Note 1, the Diocese's consolidated financial statements do not contain a provision for depreciation expense in accordance with SFAS No. 93 - Recognition of Depreciation by Not-for-Profit Organizations.
- As discussed in note 1, the Diocese's consolidated financial statements do not include the operations of the high schools owned and operated by the Diocese, nor do they include certain assets, liabilities and net assets of the high schools, as required by AICPA Statement of Position 94-3.
- As discussed in note 10, the Diocese did not obtain an actuarial valuation of its priest pension liability as of year-end as required by SFAS No. 87 - Employers' Accounting for Pensions, as amended by SFAS No. 158 - Employer's Accounting for Defined Benefit Pension and Other Postretirement Plans, and was not able to develop certain pension information as of year-end for inclusion and disclosure in the consolidated financial statements, as required by SFAS No. 132(R) - Employers' Disclosures about Pensions and Other Postretirement Benefits, as amended by SFAS 158.
- As discussed in note 12, the Diocese did not obtain an actuarial valuation of its liability for postretirement health care benefits for priests as required by SFAS No. 106 - Employers' Accounting for Postretirement Benefits Other Than Pensions, as amended by SFAS No. 158, and was not able to develop certain information as of year-end for inclusion and disclosure in the consolidated financial statements, as required by SFAS No. 132(R) - Employers' Disclosures about Pensions and Other Postretirement Benefits, as amended by SFAS No. 158.

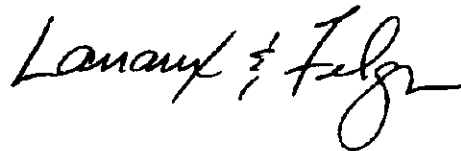
In our opinion, except for the exclusion of the aforementioned information, the consolidated financial statements referred to above present fairly the financial position of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux and Institutions as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 23, 2009 on our consideration of Diocese's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1 to 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Diocese. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of the Diocese. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the statement of financial position of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions as of June 30, 2008, and the related statements of activities and changes in net assets and cash flows for the year then ended (none of which is presented herein) on which we expressed a qualified opinion for not providing for depreciation expense, not including the operations of high schools owned by the Diocese, for not obtaining actuarial valuations of the priest pension and postretirement benefit liabilities and for not disclosing certain information relating to the priest pension and postretirement benefit liabilities as required by accounting principles generally accepted in the United States of America. The supplementary information presented for 2008 included in Schedules 5 to 11 is presented for comparative purposes and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements from which it was derived.

December 23, 2009

A handwritten signature in black ink, appearing to read "Lanoux & Felger". The signature is fluid and cursive, with a large, stylized "L" and "F".

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

*Consolidated Statement of Financial Position
June 30, 2009*

ASSETS

Current assets:

Cash and cash equivalents	\$ 4,590,154	
Accounts receivable	555,741	
ABA receivable	145,912	
Accrued interest and mineral royalties receivable	350,271	
Prepaid expenses	6,500	
Current maturities of parish and school loans	1,443,800	
Investments in marketable debt securities expected to be sold or to mature to fund current expected deposit withdrawals for prepaid tuition	<u>19,765,000</u>	
Total current assets		\$ 26,857,378

Investments, net of current expected sales and maturities 38,337,861

Parish and school loans receivable	5,659,187	
Less current maturities	<u>(1,443,800)</u>	
Total loans less current maturities		4,215,387

Property and equipment:

Buildings and equipment	14,119,336	
Operating high school properties	4,205,625	
Future parish sites	<u>283,411</u>	
Total property and equipment		18,608,372

Other assets 5,218,978

Total assets \$ 93,237,976

See notes to financial statements.

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OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Consolidated Statement of Financial Position

June 30, 2009

LIABILITIES AND NET ASSETS

Current liabilities:

Deposits in central finance, current expected
withdrawals:

Parishes	\$ 3,510,300	
Cemetery operating deposits	930,200	
Institutional deposits, principally prepaid tuition	19,765,000	
Accounts payable, undistributed funds and other accruals	2,265,319	
Current maturities of long-term debt	<u>370,000</u>	
Total current liabilities		\$ 26,840,819

Deposits of parishes, schools and institutions, net of current expected withdrawals	10,107,016
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Bonds payable, net of current maturities	23,810,000
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Third-party endowments	15,678,549
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Insurance program reserves	1,278,335
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Accrued other postretirement benefits	<u>325,010</u>
Total liabilities	78,039,729

Net assets:

Restricted by donors:

Temporarily restricted net assets	2,959,148
Permanently restricted net assets	3,417,620

Unrestricted:

Designated:

Undistributed funds - funded operations	2,324,563
Other designated net assets	1,246,685

Undesignated

	<u>5,250,231</u>	<u>8,821,479</u>
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Total net assets	<u>15,198,247</u>
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Total liabilities and net assets	<u>\$ 93,237,976</u>
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**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Consolidated Statement of Activities

Year Ended June 30, 2009

	Unrestricted		Temporarily	Permanently	
	Undesignated	Designated	Restricted	Restricted	Total
Revenues and other support:					
Cathedraticum	\$ 2,103,950	\$ -	\$ -	\$ -	\$ 2,103,950
Collections and administration	228,411	-	-	-	228,411
Income of funded operations:					
Central finance	-	1,536,334	-	-	1,536,334
Other funded operations	-	7,934,020	-	-	7,934,020
Contributions and grants	379,107	-	753,891	120,626	1,253,624
Investment return - investments not included in Central finance program	832,725	-	-	-	832,725
Other income	1,506,391	-	-	173,930	1,680,321
Net assets released from restrictions	-	35,001	(35,001)	-	-
Total revenues and other support	5,050,584	9,505,355	718,890	294,556	15,569,385
Expenses:					
Operating expenses	5,730,600	-	-	-	5,730,600
Less operating expenses allocated to:					
Funded operations	(132,733)	-	-	-	(132,733)
Other operations	(2,609)	-	-	-	(2,609)
Expenses of funded operations:					
Central finance	-	2,195,811	-	-	2,195,811
Other funded operations	-	7,864,289	-	-	7,864,289
Total expenses	5,595,258	10,060,100	-	-	15,655,358
Change in net assets	(544,674)	(554,745)	718,890	294,556	(85,973)
Net assets at beginning of year	5,813,554	4,107,344	2,240,258	3,123,064	15,284,220
Transfers between designated and undesignated:					
Subsidies to/from funded operations	(112,112)	112,112	-	-	-
Other transfers	93,463	(93,463)	-	-	-
Total transfers between designated and undesignated	(18,649)	18,649	-	-	-
Net assets at end of year	\$ 5,250,231	\$ 3,571,248	\$ 2,959,148	\$ 3,417,620	\$ 15,198,247

See notes to financial statements.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Consolidated Statement of Cash Flows

Year Ended June 30, 2009

Cash flows from operating activities:

Change in net assets	\$ (85,973)
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Unrealized (gains) losses on investments, net change	52,414
Realized (gains) losses on investments	268,445
Contributions restricted for long-term investment	(294,556)
Amortization of bond issuance cost	25,003
Changes in:	
Accounts receivable	379,166
ABA receivable	10,971
Accrued interest and mineral royalties receivable	392,793
Other assets	(164,624)
Accounts payable	383,727
Insurance program reserves	(903,344)
Net cash provided by (used in) operating activities	<u>64,022</u>

Cash flows from investing activities:

Purchases of property and equipment	(1,372,635)
Purchases of investments	(63,233,083)
Proceeds from sale of investments	69,066,569
Increase in loans to parishes and institutions, net	(3,102,070)
Net cash provided by (used in) investing activities	<u>1,358,781</u>

Cash flows from financing activities:

Proceeds from contributions restricted for:	
Contributions to Seminary Burses	49,861
Contributions to endowment funds	20,490
Contributions to Priest Pension fund	50,275
Perpetual care of cemetery crypts	173,930
	<u>294,556</u>
Other financing activities:	
Increase in school, parish, and institution funds on deposit with the Diocese	(2,403,746)
Increase in endowments held for third parties	558,733
	<u>(1,845,013)</u>
Net cash provided by (used in) financing activities	<u>(1,550,457)</u>

Net (decrease) in cash and cash equivalents (127,654)

Cash and cash equivalents at beginning of year 4,717,808

Cash and cash equivalents at end of year \$ 4,590,154

Supplemental disclosure of cash flow information:

Cash paid for interest during the year on deposit accounts in central finance	\$ 2,080,499
Cash paid for interest on long-term debt	\$ 1,530,997

See notes to financial statements.

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OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

1) Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization and Principles of Consolidation:

The Diocese of Houma-Thibodaux (hereinafter "the Diocese"), a not-for-profit corporation established under the laws of the State of Louisiana, operates as a religious organization. The Diocese is dedicated to acting as a centralized ministry that coordinates several ministerial, outreach and administrative programs and functions for church-parishes and other Diocesan related operations located within the Diocese's boundaries encompassing the civil parishes of Terrebonne, Lafourche, parts of St. Mary, St. Martin and Iberia, and Grand Isle, Louisiana.

The Diocese derives support for its administrative operations primarily through Cathedralism paid by Diocesan parishes to the Diocese. Cathedralism is an assessment on parish ordinary income and certain extraordinary income. The Cathedralism amount is set each year by the Diocese based on the prior year's reported income. Support for other Diocesan operations is provided by several sources including, but not limited to: grants from other non-profit entities; special Diocesan-wide collections; individual contributors; governmental grants; and Diocesan subsidies, transfers, grants, and interest, dividends and net capital gains or (losses) earned and recognized on investments.

The accompanying financial statements include the accounts maintained by and directly under the administration of the Central Administrative Offices of the Diocese of Houma-Thibodaux, as well as the accounts maintained by the following not-for-profit entities owned by the Diocese and in which the Diocese has a direct controlling financial and canonical interest:

- H-T Publishing Company (The Bayou Catholic)
- Lumen Christi Retreat Center
- St. Lucy's Day Care Center
- St. Joseph's Cemetery

Internal transactions and balances, except for interest paid on funds deposited with Central Finance, have been eliminated in consolidation. The accompanying financial statements do not include accounts of individual parishes and other church-related agencies and institutions, such as parishes, schools, cemeteries, homes, etc. except insofar as financial transactions have taken place between these entities and the Diocese (subsidies, grants, loans, deposit, insurance premiums and Diocesan support paid by those entities in the form of cathedralism). These entities are directly managed and controlled by their pastors or other responsible parties. Only those entities that are directly controlled, managed, administered and financed through the Diocese Central Administrative Offices are included in these financial statements.

The operations of high schools owned by the Diocese and certain assets acquired or liabilities incurred by the schools as a result of their operations are not included in the consolidated financial statements of the Diocese. Under AICPA Statement of Position 94-3, those operations, assets and liabilities should be included in the consolidated financial statement because the Diocese has a controlling financial interest in the high schools.

Summary of Significant Accounting Policies Used:

- a) Method of accounting. The accompanying financial statements have been prepared on the accrual basis of accounting as adopted by the Chancery.
- b) Property and equipment values are recorded at cost. If acquired by gift or legacy, the fair market value at date of gift or date of death is recorded. No provision for depreciation has been made in the financial statements as required by Statement of Financial Accounting Standards No. 93 - Recognition of Depreciation by Not-For-Profit Organizations. The Finance Council and management of the Diocese do

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Notes to Consolidated Financial Statements

not believe the benefits derived from the calculation of depreciation expense are commensurate with the effort and costs required to develop this information.

- c) Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. For investments other than marketable securities with readily determinable fair values, the carrying value is either cost or fair value at the date of donation.
- d) All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Diocese reports the support as unrestricted.

Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the contributions are recorded as unrestricted support.

Contributed services are recognized at fair value, except for the work of volunteers for which no monetary value has been assigned.

- e) The Diocese has adopted a policy of allocating a part of the general and administration expenses incurred to the related offices within the Chancery. These operating expenses include such things as utilities, telephone, copying costs, office and operating supplies, insurance, equipment and building maintenance, and general and administration personnel expenses. Other personnel expenses are allocated among offices based on the percentage of time spent in each office.
- f) Cash and cash equivalents consist of cash in banks and securities purchased under agreement to resell. Concentrations of credit risk with respect to cash and cash equivalents are considered limited due to the combination of federally-insured deposits and financial strength of the institutions that hold Diocesan deposits. Cash in excess of federally insured limits at June 30, 2009 amounts to \$2,875,374. Of this excess, \$648,185 was collateralized by the trust assets of the Diocese's primary depository institution in accordance with a sweep repurchase agreement with that institution.

Investments in marketable debt and equity securities are diversified among high-credit quality securities in accordance with the investment policy of the Diocese. Investments are not insured by the trustee, Federal Deposit Insurance Corporation or any other government agency.

- g) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2) Central Finance

Under Diocesan central finance policies, the Parishes, Schools and Institutions within the Diocese are required to remit to the Diocese all funds not immediately needed by the Parishes, Schools and Institutions for current operations. For those with surplus funds, these balances earned interest at a rate of 4% per annum through March 21, 2009 and 2% per annum through June 30, 2009. For those that have outstanding loans with the Central Finance Program, the funds received are applied as payments to the loans. Parishes, Schools and Institutions with loans payable to Central Finance pay 6% interest to the Central Finance Program.

Certain Diocesan programs and funded operations also receive interest on surplus funds held by the Central Finance Program at the same rates earned by Parishes, Schools and Institutions. The interest received by funded operations is reported as revenue of other funded operations in the statement of activities.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Notes to Consolidated Financial Statements

Interest earned on invested funds less interest paid on funds on deposit and an administrative fee charged by the Central Administrative Offices is paid to the Parishes, Schools and Institutions as additional interest at the end of the year. The amount of additional interest paid to each Parish, School or Institution is based on the interest earned by the Parish, School or Institution during the year and is called "profit sharing." There was no profit sharing distribution for the year ended June 30, 2009. The statement of activities and schedule below present investment return as interest and dividends earned and capital gains recognized. The full amount of interest expense incurred during the year is reflected below and is included on the statement of activities.

Central finance income was earned as follows:

Interest income:		
Parish and school loans	\$	112,792
Investments and cash reserves		1,697,786
Dividend income		46,615
Realized gains (losses) on investments, net		(288,445)
Change in unrealized gains and losses on investments, net		(52,414)
Total central finance income	\$	1,536,334

Central finance expense and subsidies were incurred as follows:

Interest expense:		
Parish deposits	313,290	
Cemetery deposits	247,102	
Endowments	701,067	
School and institution deposits	799,888	
External money management and bank fees	134,484	
Total central finance expenses and subsidies		2,195,811

Change in net assets - Central Finance	\$	(659,477)
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Endowment funds may also be established by Parishes, Schools and Institutions within the Diocese. The funds must be deposited with Central Finance. The establishment of endowment funds is governed by the Diocesan policy on endowments. The deposits must be of a permanent nature and have restrictions as to the withdrawal of principal. Interest is paid at 90% of the average rate of return on Diocesan external investments exclusive of realized capital gains, but not less than 5% through March 21, 2009 and not less than 3% through June 30, 2009. Endowment funds do not share in the "Profit Sharing" discussed in the preceding paragraph. For the year ended June 30, 2009, interest was paid on endowment funds at the minimum rates described above.

The cemetery operating deposits are to be used by each cemetery for upkeep, construction, acquisitions or any other operating expenses of the cemetery.

3) Funded Operations

The Diocese maintains several operations (some of which are separately incorporated) that are funded through separate collections and revenues. These collections and revenues are segregated in separate accounts in the Diocesan accounting system. The revenues and expenses incurred by the operations are kept separate for internal Diocesan reporting. The Diocese has adopted the policy to internally subsidize these operations when applicable. Funded operations having revenues in excess of expenditures are carried on the Diocese's balance sheet as unrestricted - designated net assets to be used in future operations of the particular funded operation.

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Notes to Consolidated Financial Statements

4) Receivable – Annual Bishop's Appeal (ABA)

The ABA receivable represents commitments or unconditional promises to give from individuals as a result of the Annual Bishop's Appeal. Management considers the commitments to be fully collectible and accordingly, no allowance for uncollectible commitments is deemed necessary. All ABA receivables are due to be collected within one year of the balance sheet date.

5) Investments

Investments at June 30, 2009, are summarized as follows:

	<u>Carrying Value</u>
<u>Temporary cash investments:</u>	
Money market mutual funds	\$ 10,804,342
<u>Marketable equity securities:</u>	
Common stocks	1,498,369
<u>Marketable debt securities:</u>	
U.S. government securities	29,075,837
<u>Other investments:</u>	
Guaranteed investment contract	16,632,622
Real estate	<u>91,691</u>
	58,102,861
Less investments in marketable debt securities expected to be sold to fund current expected deposit withdrawals	<u>(19,765,000)</u>
	<u><u>\$ 38,337,861</u></u>

Statement of Financial Accounting Standards for Fair Measurements became effective for the Diocese's 2009 fiscal year. This Statement redefines fair value as the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Although the exchange price concept is not new, the new definition focuses on the exit price as opposed to the entry price that would be paid to acquire an asset or received to assume a liability. The standard also emphasizes that fair value is a market-based measurement and not an entity-specific measurement and establishes a hierarchy to prioritize the inputs that can be used in the fair value measurement process. The inputs in the three levels of this hierarchy are described as follows:

Level 1	Quoted prices in active markets for identical assets or liabilities. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
Level 2	Observable inputs other than Level 1 prices. This would include quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
Level 3	Unobservable inputs, to the extent that observable inputs are unavailable. This allows for situations in which there is little or no market activity for the asset or liability at the measurement date.

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Notes to Consolidated Financial Statements

The Diocese measures temporary cash investments and investments in marketable debt and marketable equity securities at fair value on a recurring basis and are summarized below:

(in thousands)	Carrying Value	June 30, 2009		
		Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investment securities:				
Temporary cash investments	\$ 10,804	\$ -	\$ 10,804	\$ -
Marketable debt securities	29,076	-	29,076	-
Marketable equity securities	1,498	1,498	-	-
Total investments reported at fair value	41,378	\$ 1,498	\$ 39,880	\$ -
Other investments carried at cost	16,725			
Total investments	\$ 58,103			

Total investment return, which is reported as unrestricted income in the statement of activities, is \$2,369,059, which includes the components of Central Finance income reported in Note 2 plus \$832,725 interest earned on the guaranteed investment contract.

The guaranteed investment contract is held by the Bond Trustee in the Bond Project Account pursuant to a bond indenture reported in Note 11. The funds in the contract will be drawn out as specified in the investment agreement to pay construction costs of the projects for which the bonds were issued. The underlying investments in the contract consist of obligations fully guaranteed by the United States of America, or obligations, debentures notes or other evidence of indebtedness issued or guaranteed by the Governmental National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), Federal Home Loan Banks System, or Federal Home Loan Mortgage Corporation (FHLMC).

6) Other Assets

Other assets are comprised of the following:

Perpetual care deposits in Cemeteries Trust	\$ 1,945,983
Series 2006 bond issuance costs, net of accumulated amortization	498,312
Series 2007 bond issuance costs, net of accumulated amortization	189,753
Prepaid pension costs	2,482,589
Other miscellaneous assets	102,341
	<u>\$ 5,218,978</u>

7) Insurance Program Reserves

The Diocese operates several self-insurance programs in which the parishes, schools and institutions of the Diocese also participate. Following is a description of each:

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Notes to Consolidated Financial Statements

Unemployment Insurance Program - The Diocese, its parishes, schools and institutions voluntarily participate in the State of Louisiana unemployment system based on the reimbursable method. The individual entities contribute to the fund based on historical results at a rate sufficient to fund anticipated claims. Based on the present reserve balance, claims experience and current earnings on the reserve, no current contributions from the entities are needed. All claims for unemployment benefits are filed with the State and those which are paid by the State are reimbursed by the program. The Diocesan Central Finance program pays interest on the reserve balance throughout the year. The interest earned is used to pay claims and expenses of the program, bolster the operating reserve and partially fund the Diocesan Office of Human Resources.

Louisiana Catholic Workers' Compensation Pool (LCWCP) - The Diocese participates in a cost-sharing, risk pool with three other Dioceses to cover claims resulting from employment-related accidents and injuries. Premiums are paid to the pool by the Dioceses based on total payroll costs for covered workers. The pool has entered into a stop-loss agreement with an insurance company to limit its losses to \$275,000 per occurrence and \$2,750,000 per policy year. After all outstanding claims are settled for a policy year, any excess of premiums collected over claims and other costs are refunded to the participating Dioceses in proportion to premiums paid to the pool for that policy year.

Mausoleum Insurance Reserve - This reserve is used to repair damage caused by fire or natural disasters to mausoleums at cemeteries operated by the parishes of the Diocese. The Diocesan Property and Casualty Insurance program covers damage caused by vandalism. The reserve is funded through premiums paid through the Diocesan Property and Casualty Insurance Program. At the end of the year, reserve adequacy is assessed. If reserves are adequate, the premiums credited to the reserve during the year are charged against the reserve and the balance is credited as a source of revenue to the Funded Operation- Cemeteries Office.

Hospitalization Insurance Reserve - Hospitalization insurance premiums are paid into this program via a third-party administrator by the Diocese, its parishes and institutions to provide coverage for employees, retirees, and their families. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$160,000 on individual claims. From time to time during the year, the Diocese remits funds from this reserve to the third-party administrator to pay claims. When the third-party administrator accumulates excess funds, the funds are remitted to the Diocese for deposit into the reserve. Premiums and loss claims of the Hospitalization Insurance Program are not included in these financial statements. The Diocesan Central Finance program pays interest on the reserve balance throughout the year. The interest earned is used to partially fund the Diocesan Office of Human Resources.

At June 30, 2009, the balances of the Insurance Program Reserves are as follows:

Unemployment Reserve	\$ 345,676
Mausoleum Insurance Reserve	239,249
Hospitalization Insurance Reserve	693,410
	<u>\$ 1,278,335</u>

The Diocesan property and casualty insurance program is reported as a funded operation and the ending balance is included in designated net assets. This is a self-insurance program in which the parishes, schools and institutions of the Diocese also participate. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$25,000 on individual claims and \$150,000 in the aggregate for the fiscal year ended June 30, 2009.

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Notes to Consolidated Financial Statements

8) Restrictions on Net Assets

Temporarily restricted net assets are the net assets of the Diocese that are restricted by donors for: (a) support of a particular operating activity, (b) investment for a specified term, (c) use in a specified future period, or (d) acquisition of long-lived assets.

Permanently restricted net assets represent the net assets of the Diocese restricted by donors for holdings of (a) assets, such as land or works of art, donated with stipulations that they be used for a specified purpose, be preserved, and not be sold, or (b) assets donated with the stipulation that they be invested to provide a permanent source of income.

Temporarily restricted net assets are available for the following purposes or periods:

Perpetual Care Maintenance Reserve	\$ 149,531
Disaster Relief Fund	1,478,174
Deferred Grant Revenue	392,211
Future Parish Sites	218,600
Lafourche Charities Fund	320,632
Use restriction through June 30, 2041:	
Bishop's Residence	400,000
	<u>\$ 2,959,148</u>

Permanently restricted net assets are restricted for:

Seminary Burse Funds	\$ 1,168,241
Perpetual Care Deposit - Cemeteries Trust	1,945,983
Priest Retirement Endowment	176,875
Lumen Christi Endowment	86,731
Catholic Social Services Endowment	39,790
	<u>\$ 3,417,620</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors, as follows:

Miscellaneous program grants	\$ 19,466
Cemetery perpetual care expenses	9,535
Lafourche Charities fund	6,000
	<u>\$ 35,001</u>

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Notes to Consolidated Financial Statements

9) Designated Net Assets

Designated net assets represent net assets that have no donor-imposed restrictions but have been designated by management for the following:

Cathedral Reserve	\$ 361,630
Priest Pension Fund	759,624
Parish Music Grant Fund	4,327
Technology Support Program	7,178
Bishop's Grant Fund	16,078
Vehicle Replacement Fund	38,763
Bishop's Conferences Fund	49,085
Mall Ministry Fund	10,000
	<hr/> 1,246,685
Undistributed Funds - Funded Operations	2,324,563
	<hr/> \$ 3,571,248 <hr/>

10) Retirement Plans

A) Defined Contribution Plans.

The Diocese sponsors two defined contribution plans as follows:

401(a) Plan - The Diocese established a defined contribution 401(a) plan to accept rollover contributions from the participants in the Defined Benefit Plan that was terminated in 1997. No further employee or employer contributions will be made to this plan.

403(b) Plan - For all eligible employees, the Diocese will contribute 2% of salary to the plan and an additional 2% of salary to the plan if the employee agrees to participate at the minimum level of 2% of salary. The Diocesan contribution to the plan increases, based on length of service, to a maximum of 4% for employees with 20 or more years of service. For the year ended June 30, 2009, Diocesan contributions to the plan were \$140,986.

B) Priests' Pension Fund.

The Diocese provides pension benefits to the retired priests of the Diocese under a plan that is not a qualified plan under the Internal Revenue Code and is not required to comply with the Employee Retirement Income Security Act of 1974.

Summary of Principal Plan Provisions:

All incardinated priests of the Diocese of Houma-Thibodaux are eligible for participation in the plan. The normal retirement eligibility requirement is attainment of age 65. Under normal retirement, the participant is paid for life at a rate of \$52 per month times the participant's years of service up to 25 years. If the participant remains in service beyond age 65, an additional accrued benefit of \$75 per month will be accrued for each year of continued service. The monthly benefit paid to retirees and the monthly accrued benefits for active participants are generally adjusted every other year. Early retirement requires attainment of age 55. The benefit for early retirement is calculated in the same manner as that of normal retirement, but reduced by 5% for each year early retirement proceeds normal retirement. Participants are 100% vested in their accrued benefits after 5 years of service.

On October 12, 2007, the Diocese established the Priest Retirement Trust to hold plan assets. The proceeds of the 2007 Series bonds and investments previously designated for the payment of priest retirement benefits were deposited into the trust. Current plan benefits are funded by periodic employer contributions in conformance with minimum funding recommendations and maximum suggested limitations and earnings on plan assets. Additional funding is also provided by voluntary contributions by the Diocese from excess reserves, proceeds of life insurance policies on priests and private donations.

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The Diocese has not obtained an actuarial valuation of its priest pension liability as of its fiscal year end as is required by SFAS 87 (as amended by SFAS 158), and has not developed the disclosure information required by SFAS 132 and SFAS 158. Amounts reported in the balance sheet are based on a measurement of the benefit obligation as of June 30, 2000, which is the latest valuation available.

The funded status of the plan is as follows:

	<u>2009</u>
Pension benefit obligation at June 30, included in liabilities on the statement of financial position (measured on June 30, 2000)	\$ (4,675,635)
Fair value of plan assets transferred to the Trust	<u>7,158,224</u>
Excess of plan assets over pension benefit obligation (prepaid pension costs)	<u>\$ 2,482,589</u>

11) Long-Term Debt

On November 1, 2006, the Louisiana Public Facilities Authority (the Issuer) issued \$17,700,000 Louisiana Public Facilities Authority Variable Rate Demand Revenue Bonds (Diocese of Houma-Thibodaux Project), Series 2006 (the Series 2006 Bonds) pursuant to the terms and conditions of an Indenture of Trust between the Issuer and Regions Bank (the Trustee). The Series 2006 Bonds have a Standard & Poor's rating of "A+/A-1".

The bonds are issued pursuant to the terms and provisions of an Indenture of Trust (the Indenture). The proceeds of the Series 2006 Bonds are for the purpose of (i) financing the reconstruction, rehabilitation, restoration, construction, furnishing, improving and equipping of school buildings and other facilities owned and operated by the Diocese and (ii) paying costs of issuing the Bonds.

The Series 2006 Bonds will bear interest at a variable (market) rate of interest payable on the first business day of each month, commencing the first business day of January 2007, due through December 1, 2036. The interest rate is repriced weekly.

Payment of the principal, interest, and purchase price tender of the Series 2006 Bonds is secured by an irrevocable direct pay letter of credit (the Letter of Credit) issued by Allied Irish Banks, p.l.c., New York Branch (the Letter of Credit Bank) pursuant to the terms and provisions of a Reimbursement Agreement. The Letter of Credit initially expires on December 6, 2013. Failure of the Diocese to renew the Letter of Credit upon its expiration will result in the mandatory redemption of the Series 2006 Bonds.

On July 1, 2007, the Roman Catholic Church of the Diocese of Houma-Thibodaux (the Issuer) issued \$6,480,000 The Roman Catholic Church of the Diocese of Houma-Thibodaux Variable Rate Demand Bonds Series 2007 (the Series 2007 Bonds) pursuant to the terms and provisions of an Indenture of Trust between the Issuer and Regions Bank (the Trustee). The Series 2007 Bonds have a Standard & Poor's rating of "A+/A-1".

The Series 2007 Bonds are issued pursuant to the terms and provisions of an Indenture Trust (the Indenture). The proceeds of the Series 2007 Bonds are for the payment of (i) a portion of the Issuer's unfunded pension liabilities, and (ii) the costs of issuing the Series 2007 Bonds.

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The Series 2007 Bonds will bear interest at a variable (market) rate of interest payable on the first business day of each month, commencing on November 1, 2007, due through December 1, 2037. The interest rate is repriced weekly.

Payment of the principal, interest, and purchase price tender of the Series 2007 Bonds is secured by an irrevocable direct pay letter of credit (the Letter of Credit) issued by Allied Irish Banks, p.l.c. New York Branch (the Letter of Credit Bank) pursuant to the terms and provisions of a Reimbursement Agreement. The Letter of Credit initially expires on December 6, 2013. Failure of the Diocese to renew the Letter of Credit upon its expiration will result in the mandatory tender of the Series 2007 Bonds.

Long-term debt consists of the following at June 30, 2009:

\$17,700,000 demand revenue bonds dated November 1, 2006; due at various intervals through December 1, 2036; initial rate of 3.91%	\$ 17,700,000
\$6,480,000 demand bonds dated November 1, 2007; due at various intervals through December 1, 2037; initial rate of 5.19%	<u>6,480,000</u>
Total long-term debt	<u>\$ 24,180,000</u>

Pursuant to the Reimbursement Agreement, the Bonds mature as follows:

Year Ending June 30,	Principal Amount	Series 2006 Principal Amount	Series 2007 Principal Amount
2010	\$ 370,000	\$ 370,000	\$ -
2011	495,000	385,000	110,000
2012	515,000	400,000	115,000
2013	540,000	415,000	125,000
2014	560,000	430,000	130,000
2015 and thereafter	<u>21,345,000</u>	<u>15,345,000</u>	<u>6,000,000</u>
	<u>\$ 23,825,000</u>	<u>\$ 17,345,000</u>	<u>\$ 6,480,000</u>

Interest Rate Swap Agreement

Objective of the interest rate swap: In order to hedge exposure to interest rate fluctuations on the Bonds, the Diocese entered into an interest rate swap agreement with Allied Irish Banks, p.l.c (the "Provider") as more fully described in the Master Agreement, Schedule to the Master Agreement and Confirmation dated November 28, 2006 (the "Swap Documents"). The Diocese is liable to the Provider to make swap payments and bond payments pursuant to the terms of the bond documents. Capitalized terms used herein but not defined shall have the meaning set forth in the Swap Documents.

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Terms: Under the terms of the Swap, the Diocese pays a fixed rate of 3.91% on the Series 2006 bonds and 5.19% on the Series 2007 bonds, and the Provider pays a variable rate equal to 75% of the 1-month USD-LIBOR rate, as more fully described in the Swap Documents.

Fair Value: The fair value of the swap agreements as of June 30, 2009, which is not reported in the financial statements, was \$3,117,203 in favor of the Provider.

Credit Risk: Credit risk is the risk that the counterparty will not fulfill its obligations. At June 30, 2009, the Diocese is not exposed to credit risk because the swap has a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the Diocese would be exposed to credit risk in the amount of the swap's fair value.

Basis Risk: Basis risk is the risk that arises when variable interest rates on a swap and the associated debt are based on different indexes. The interest rates for both the swap and the bonds are based on LIBOR; therefore, the Diocese is not subject to basis risk.

Termination Risk: The Diocese or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The swap agreement may be terminated if either party fails to make payment, when due, under the swap agreement; breaches the agreement; made or repeated or deemed to have made or repeated a misrepresentation; bankrupts; or merges without assumption or commits an illegality. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Diocese would be liable to the counterparty for a payment equal to the swap's fair value.

Rollover Risk: Rollover risk is the risk that the swap does not extend to the maturity of the associated debt. The Diocese is not exposed to rollover risk because the swap terminates in conjunction with the maturity of the associated bonds.

Interest Rate Risk: Interest rate risk is the risk that the interest rate will change over some interval while the bonds are outstanding. The Diocese has entered into this fixed rate swap agreement to mitigate interest risk associated with the underlying variable rate bonds.

12) Post-Retirement Benefits Other Than Pensions

The Diocese provides health insurance, long-term care benefits and long-term disability benefits for its retired priests. The benefits provided are coordinated with Medicare and/or are supplemented with other insurance policies provided by the Diocese. At June 30, 2009, the accrued liability for postretirement benefits other than pensions was \$325,010.

The Diocese has not obtained an actuarial valuation of its postretirement health care benefit liability within three months of its fiscal year-end as is required by SFAS No. 106, and has not developed certain information for inclusion and disclosure in the financial statements as required by SFAS No. 132 and SFAS 158. The postretirement benefit obligation reported in the balance sheet is an estimate by management.

13) Commitments

The Diocese has contractual obligations and commitments outstanding at June 30, 2009 for renovations or additions to Diocesan parishes, schools and institutions properties for approximately \$14,292,531. Of the total contract obligations, approximately \$9,787,190 had been paid as of June 30, 2009 and \$4,505,341 remains to be advanced to the parishes and institutions by way of Central Finance deposit withdrawals or loans.

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Notes to Consolidated Financial Statements

14) Contingencies

The Diocese is named as defendant in various lawsuits and threatened litigation arising from its operations. While the outcome of these lawsuits and threatened litigation cannot be predicted with certainty, management does not expect these matters to have a material adverse effect on the financial condition of the Diocese.

There is no loss accrual provision associated with litigation or threatened litigation contained in the financial statements as management cannot reasonably estimate the range of possible loss, if any.

15) Functional Expenses

The costs of providing various programs and activities are summarized on a functional basis as follows:

Program service expenses:		
Charitable and social services programs	\$	2,178,666
Evangelization and education programs		4,110,665
Central finance program		2,195,811
Assistance and support for parishes and institutions within the Diocese		3,934,619
Other programs		<u>730,102</u>
Total program expenses	\$	<u>13,149,863</u>
Support service expenses:		
General and administrative expenses		2,392,643
Stewardship and development expenses		<u>112,852</u>
Total supporting service expenses		<u>2,505,495</u>
Total expenses	\$	<u><u>15,655,358</u></u>

16) Stewardship and Development

The Diocese has three stewardship and development programs. The first is the Annual Bishop's Appeal, the second is the Stewardship Program for the benefit of parishes within the Diocese and the third is the Catholic School Development Program. The Annual Bishop's Appeal is a program to raise funds for discretionary use by the Diocese in support of various Diocesan, school and parish programs. The Stewardship Program is coordinated by the Diocesan Stewardship Office to assist Parishes of the Diocese in implementing a sacrificial giving program for the benefit of the Parishes. The Catholic School Development Program is coordinated by the Diocesan Office of Catholic Schools to assist the schools of the Diocese in their development efforts.

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Schedule of Funded Operations and Subsidies
Year Ended June 30, 2009

	Voc. Office/ Permanent Diaconate	St. Lucy Daycare	Cemetery Office	Charity Programs	Insurance and Employee Benefits	Assisi Bridge House
Revenue and other support:						
Income	\$ 258,735	\$ 367,659	\$ 179,330	\$ 754,584	\$ 2,801,824	\$ 217,498
Net assets released from restrictions	-	-	-	25,488	-	-
Transfers from program reserves	-	-	36,000	-	33,238	-
Total revenues and other support	258,735	367,659	215,330	780,050	2,835,062	217,498
Expenses:						
Salaries - lay personnel	53,653	140,332	56,421	197,396	202,391	76,289
Salaries - Religious	-	-	-	24,324	-	-
Payroll taxes	3,874	10,642	3,994	14,257	13,880	6,627
Group insurance	13,254	52,260	8,924	30,052	36,072	-
Pension and other employee benefits	2,050	4,499	3,802	11,171	11,383	5,293
Dues, subscriptions, assessments	2,260	-	425	3,687	2,428	605
Conferences, workshops, travel	88,112	1,410	2,820	131,997	-	12,080
Communications, public relations	19,158	-	1,254	2,707	-	515
Business allowance/reimbursement	81	-	5,670	17,531	25,265	-
Books, pamphlets, etc.	724	-	-	465	21	-
Workshops, meetings and other program expenses	45	-	-	227,209	9,096	17,548
Telephone	4,322	1,950	738	8,254	-	3,694
Seminary tuition	439,919	-	-	-	-	-
Supplies and expenses	3,547	26,484	-	8,932	-	3,529
Utilities and occupancy	8,000	14,514	-	11,424	-	11,931
Maintenance and repairs	-	84,182	1,622	50,407	-	-
Insurance expense	-	-	-	7,035	2,132,001	22,919
Claims and related cost	-	-	-	-	252,898	-
Legal and professional fees	-	-	-	-	-	-
Emergency assistance/disaster relief	-	-	-	77,009	-	13,858
Daycare nutrition program	-	49,481	-	-	-	-
Cemetery operating expense	-	-	-	-	-	-
Retreat center operating expense	-	-	-	-	-	-
Newspaper production and circulation expense	-	-	-	-	-	-
Renovation/equipment	-	-	-	-	-	17,817
Central Finance interest and administration	-	-	-	-	-	-
Allocated costs:						
Automobile	-	-	-	-	-	12,000
Chancery administrative costs	-	-	2,224	12,540	47,108	1,848
Total expenses	614,997	385,714	87,494	836,397	2,732,521	206,523
Excess (deficiency) of income over expenses	(356,262)	(18,055)	127,836	(56,347)	102,541	10,975
Subsidies:						
From (to) Central Administrative Office	(18,824)	-	-	-	-	-
Between departments	434,298	-	-	75,541	-	-
Subtotal	415,874	-	-	75,541	-	-
Undistributed funds at beginning of year	(872,831)	18,055	283,393	386,922	1,545,751	70,379
Undistributed funds at end of year	\$ (813,419)	\$ -	\$ 391,229	\$ 406,116	\$ 1,648,292	\$ 81,354

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	Assisi Bridge House Phase 4	Catholic Housing Service	Annual Bishop's Appeal	Drexler Grant Program	Micro- Enterprise Program	Foster Grandparent Program
Revenue and other support:						
Income	\$ 27,024	\$ 55,019	\$ 851,865	\$ 818,718	\$ 23,173	\$ 300,809
Net assets released from restrictions	-	-	-	-	-	-
Transfers from program reserves	-	-	-	-	-	-
Total revenues and other support	27,024	55,019	851,865	818,718	23,173	300,809
Expenses:						
Salaries - lay personnel	11,900	47,781	66,573	-	31,142	59,826
Salaries - Religious	-	-	-	-	-	-
Payroll taxes	-	3,414	4,630	-	2,420	4,068
Group insurance	-	8,219	11,686	-	7,638	12,225
Pension and other employee benefits	-	2,368	3,196	-	1,436	2,877
Dues, subscriptions, assessments	-	200	2,058	-	-	100
Conferences, workshops, travel	-	1,885	2,891	-	-	20,497
Communications, public relations	-	-	20	-	60	-
Business allowance/reimbursement	-	337	7,985	-	257	3,622
Books, pamphlets, etc.	-	-	86	-	-	-
Workshops, meetings and other program expenses	-	18,496	471,150	49,725	-	184,383
Telephone	519	2,398	-	-	1,704	2,109
Seminary tuition	-	-	-	-	-	-
Supplies and expenses	-	988	-	-	291	16,758
Utilities and occupancy	9,101	3,379	-	-	1,440	-
Maintenance and repairs	60	1,164	-	-	771	978
Insurance expense	175	-	-	-	-	822
Claims and related cost	-	-	-	-	-	-
Legal and professional fees	240	1,110	-	32,288	160	-
Emergency assistance/disaster relief	-	-	-	-	-	-
Daycare nutrition program	-	-	-	-	-	-
Cemetery operating expense	-	-	-	-	-	-
Retreat center operating expense	-	-	-	-	-	-
Newspaper production and circulation expense	-	-	-	-	-	-
Renovation/equipment	-	-	-	-	-	-
Central Finance Interest and administration	-	-	-	-	-	-
Allocated costs:						
Automobile	-	-	-	-	-	-
Chancery administrative costs	2,840	1,320	13,747	-	1,320	3,300
Total expenses	24,835	93,059	584,002	82,011	48,639	311,385
Excess (deficiency) of income over expenses	2,389	(38,040)	267,863	734,706	(25,466)	(10,556)
Subsidies:						
From (to) Central Administrative Office	-	-	(28,764)	(128,000)	-	-
Between departments	-	-	(239,089)	(606,705)	-	-
Subtotal	-	-	(267,863)	(734,705)	-	-
Undistributed funds at beginning of year	27,875	872,942	-	244,891	520,894	14,036
Undistributed funds at end of year	\$ 30,064	\$ 834,902	\$ -	\$ 244,891	\$ 501,228	\$ 3,480

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Year Ended June 30, 2009

	St. Joseph Cemetery	Lumen Christi	Bayou Catholic	Central Finance	Disaster Services	Total
Revenue and other support:						
Income	\$ 390,503	\$ 240,432	\$ 258,638	\$ 1,536,334	\$ 320,973	\$ 9,401,116
Net assets released from restrictions	9,535	-	-	-	-	35,001
Transfers from program reserves	-	-	-	-	-	69,238
Total revenues and other support	400,038	240,432	258,638	1,536,334	320,973	9,505,355
Expenses						
Salaries - lay personnel	107,610	154,755	211,972	-	23,583	1,441,624
Salaries - Religious	-	12,825	-	-	-	37,149
Payroll taxes	9,898	11,232	14,755	-	1,798	105,469
Group insurance	27,837	41,969	29,842	-	4,120	284,088
Pension and other employee benefits	8,255	11,823	12,945	-	629	81,297
Dues, subscriptions, assessments	2,859	104	4,850	-	-	19,574
Conferences, workshops, travel	-	-	3,339	-	-	242,831
Communications, public relations	-	2,612	2,119	-	3,354	31,797
Business allowance/reimbursement	-	8,679	29,038	-	2,464	100,909
Books, pamphlets, etc.	-	-	575	-	-	1,871
Workshops, meetings and other program expenses	-	480	-	-	-	978,132
Telephone	-	-	-	-	53	25,741
Seminary tuition	-	-	-	-	-	439,919
Supplies and expenses	13,141	18,929	10,991	-	1,910	105,480
Utilities and occupancy	7,112	61,681	-	-	-	126,582
Maintenance and repairs	14,609	18,678	-	-	-	172,471
Insurance expense	10,906	49,709	-	-	-	2,223,567
Claims and related cost	-	-	-	-	-	252,898
Legal and professional fees	-	-	104	-	-	33,900
Emergency assistance/disaster relief	-	-	-	-	283,062	373,929
Daycare nutrition program	-	-	-	-	-	49,461
Cemetery operating expense	114,844	-	-	-	-	114,844
Retreat center operating expense	-	62,057	-	-	-	62,057
Newspaper production and circulation expense	-	-	398,149	-	-	398,149
Renovation/equipment	-	-	-	-	-	17,817
Central Finance interest and administration	-	-	-	2,195,811	-	2,195,811
Allocated costs:						
Automobile	-	-	-	-	-	12,000
Chancery administrative costs	(2,076)	-	48,782	-	-	132,733
Total expenses	314,995	455,523	765,441	2,195,811	320,973	10,060,100
Excess (deficiency) of income over expenses	85,043	(215,091)	(506,803)	(659,477)	-	(554,745)
Subsidies:						
From (to) Central Administrative Office	-	-	287,500	-	-	112,112
Between departments	-	185,965	150,000	-	-	-
Subtotal	-	185,965	437,500	-	-	112,112
Undistributed funds at beginning of year	1,182,442	(58,411)	(340,547)	(1,318,195)	-	2,767,196
Undistributed funds at end of year	\$ 1,287,485	\$ (85,537)	\$ (409,850)	\$ (1,975,872)	\$ -	\$ 2,324,563

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Operating Expenses
Year Ended June 30, 2009

	General	Computer	Technology		Building	Formation	Tribunal
	Administration	Operations	Bishop's Residence	Support Program	Office	Office	Office
Salaries - lay personnel	\$ 257,455	\$ 52,211	\$ 16,235	\$ 34,288	\$ 33,132	\$ 19,682	\$ 43,651
Payroll taxes	19,347	3,710	1,173	2,366	2,334	1,421	3,330
Group insurance	284,629	7,233	6,607	4,293	3,708	1,182	9,324
Pension and other employee benefits	15,892	3,229	926	2,332	2,320	1,378	2,651
Religious salaries and pension	41,620	-	-	-	-	-	-
Dues, subscriptions, assessments, etc.	1,555	633	432	255	216	465	1,330
Conferences, workshops, & travel	4,522	3,134	-	-	-	-	4,156
Communications & public relations	8,635	107	-	138	248	896	33
Business allowance/reimbursement	22,376	8,202	-	4,050	4,860	1,539	-
Books, pamphlets, etc.	767	30	15	-	-	-	-
Special functions	23,534	-	-	-	-	-	-
Furnishings and fixtures	-	-	572	-	-	-	-
Insurance	44,275	-	14,508	-	-	-	-
Hospital chapel expenses	97,813	-	-	-	-	-	-
Telephone	25,985	2,368	3,400	572	-	-	-
Young adult ministry	47,602	-	-	-	-	-	-
U.S. Catholic Conference	20,560	-	-	-	-	-	-
Papal quota	20,441	-	-	-	-	-	-
Louisiana Catholic Conference	29,424	-	-	-	-	-	-
Computer replacement	40,089	3,816	-	-	-	-	3,415
Building maintenance & repairs	9,987	-	25,700	-	-	-	-
Equipment maintenance & repairs	4,573	17,903	-	704	-	-	-
Office supplies	21,347	38,050	9,070	14,036	699	-	207
Accounting fees	33,000	-	-	-	-	-	-
Utilities	36,053	-	7,115	-	-	-	-
Legal fees/professional services	30,648	-	-	-	-	-	-
Postage	33,312	-	-	-	-	-	-
Copying and printing	9,600	-	-	-	-	-	-
Contributions	91	-	-	-	-	-	-
Priest retreats & continuing education	17,919	-	-	-	-	-	-
Program expenses	-	-	-	-	-	44,093	11,320
Departmental workshops	-	-	-	-	-	-	-
Series 2006 bond issuance amortization	18,287	-	-	-	-	-	-
Series 2006 bond interest, net	1,041,369	-	-	-	-	-	-
Series 2007 bond issuance amortization	6,717	-	-	-	-	-	-
Series 2007 bond interest, net	489,628	-	-	-	-	-	-
Allocated chancery administrative cost	(211,078)	10,277	-	5,672	3,364	1,794	34,712
	<u>\$ 2,527,985</u>	<u>\$ 150,903</u>	<u>\$ 85,753</u>	<u>\$ 68,704</u>	<u>\$ 50,881</u>	<u>\$ 72,450</u>	<u>\$ 114,129</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Operating Expenses
Year Ended June 30, 2009

	Office of Family Ministries	Office of Youth Ministries	Archives	Office of Worship	Conference Office	Small Christian Comm.	Cemeteries Trust
Salaries - lay personnel	\$ 110,766	\$ 89,000	\$ 33,843	\$ 38,225	\$ -	\$ -	\$ 10,878
Payroll taxes	7,186	6,409	2,556	2,901	-	-	772
Group insurance	23,740	15,242	9,624	8,489	-	-	2,126
Pension and other employee benefits	5,496	3,580	1,320	1,482	-	-	584
Religious salaries and pension	-	-	-	8,778	-	-	-
Dues, subscriptions, assessments, etc.	825	2,435	36	1,890	-	360	54
Conferences, workshops, & travel	1,567	5,218	-	836	-	-	-
Communications & public relations	2,241	3,484	48	6	-	-	55
Business allowance/reimbursement	8,812	8,473	-	4,771	-	-	810
Books, pamphlets, etc.	236	189	347	(317)	-	-	-
Special functions	-	-	-	-	-	-	-
Furnishings and fixtures	-	-	-	-	-	-	-
Insurance	-	-	7,145	-	-	-	-
Hospital chapel expenses	-	-	-	-	-	-	-
Telephone	1,964	2,614	-	468	-	-	-
Young adult ministry	-	-	-	-	-	-	-
U.S. Catholic Conference	-	-	-	-	-	-	-
Papal quota	-	-	-	-	-	-	-
Louisiana Catholic Conference	-	-	-	-	-	-	-
Computer replacement	-	-	-	-	-	-	-
Building maintenance & repairs	-	-	-	-	-	-	-
Equipment maintenance & repairs	2,844	3,222	6,090	-	-	1,280	-
Office supplies	187	481	1,979	3,117	-	-	143
Accounting fees	-	-	-	-	-	-	4,250
Utilities	-	-	8,172	-	-	-	-
Legal fees/professional services	-	-	129	-	-	-	-
Postage	-	-	-	-	-	-	-
Copying and printing	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
Priest retreats & continuing education	-	-	-	-	-	-	-
Program expenses	31,547	139,685	114,015	430	634,909	-	-
Departmental workshops	-	-	-	7,321	-	-	-
Series 2006 bond issuance amortization	-	-	-	-	-	-	-
Series 2006 bond interest, net	-	-	-	-	-	-	-
Series 2007 bond issuance amortization	-	-	-	-	-	-	-
Series 2007 bond interest, net	-	-	-	-	-	-	-
Allocated chancery administrative cost	25,580	23,148	1,452	11,378	-	6,184	1,103
	<u>\$ 222,991</u>	<u>\$ 303,160</u>	<u>\$ 186,758</u>	<u>\$ 89,675</u>	<u>\$ 634,909</u>	<u>\$ 7,804</u>	<u>\$ 20,775</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Operating Expenses
Year Ended June 30, 2009

	Commun. Office	Catholic Schools Office	Hispanic Ministry Office	Safe Environment Compliance	Religious Education Office	Pastoral Staffing Office	Total
Salaries - lay personnel	\$ 49,910	\$ 93,408	\$ 360	\$ -	\$ 146,638	\$ 60,520	\$ 1,090,198
Payroll taxes	3,677	6,989	-	-	10,353	4,094	78,818
Group insurance	2,976	18,321	17,789	-	23,460	12,423	431,166
Pension and other employee benefits	2,312	4,000	-	-	5,645	2,831	55,958
Religious salaries and pension	-	34,308	60,907	-	-	-	145,613
Dues, subscriptions, assessments, etc.	480	1,545	488	-	2,097	1,508	16,704
Conferences, workshops, & travel	4,136	2,746	4,300	17,882	10,226	2,462	60,785
Communications & public relations	2,339	2,424	5,114	169	2,543	129	28,610
Business allowance/reimbursement	1,943	12,414	31,006	-	8,218	2,620	120,092
Books, pamphlets, etc.	1,588	921	1,963	-	8	24	5,771
Special functions	-	-	-	-	-	-	23,534
Furnishings and fixtures	-	-	-	-	-	-	572
Insurance	-	-	-	-	-	-	65,928
Hospital chapel expenses	-	-	-	-	-	-	97,813
Telephone	-	-	-	-	-	-	37,381
Young adult ministry	-	-	-	-	-	-	47,602
U.S. Catholic Conference	-	-	-	-	-	-	20,560
Papal quota	-	-	-	-	-	-	20,441
Louisiana Catholic Conference	-	-	-	-	-	-	29,424
Computer replacement	-	-	-	-	-	-	47,320
Building maintenance & repairs	-	-	-	-	-	-	35,687
Equipment maintenance & repairs	-	-	-	-	-	-	36,596
Office supplies	-	3,858	5,018	7,373	7,246	4,850	117,661
Accounting fees	-	-	-	1,161	-	-	38,411
Utilities	-	-	-	-	-	-	51,340
Legal fees/professional services	-	2,065	-	1,293	-	-	34,135
Postage	-	-	-	-	-	-	33,312
Copying and printing	-	-	-	-	-	-	9,600
Contributions	-	-	-	-	-	-	91
Priest retreats & continuing education	-	-	-	-	-	-	17,919
Program expenses	92,346	229,814	21,142	-	27,322	-	1,346,623
Departmental workshops	-	-	1,610	791	19,412	-	29,134
Series 2006 bond issuance amortization	-	-	-	-	-	-	18,287
Series 2006 bond interest, net	-	-	-	-	-	-	1,041,389
Series 2007 bond issuance amortization	-	-	-	-	-	-	6,717
Series 2007 bond interest, net	-	-	-	-	-	-	489,628
Allocated chancery administrative cost	14,250	20,097	3,298	-	23,045	25,724	-
	<u>\$ 175,957</u>	<u>\$ 432,910</u>	<u>\$ 152,995</u>	<u>\$ 28,469</u>	<u>\$ 286,209</u>	<u>\$ 117,185</u>	<u>\$ 5,730,600</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**
Schedule of Income of Funded Operations
Year Ended June 30, 2009

Seminary Operations:

Vocations and Permanent Diaconate/Lay Ministries:

Easter collection - quota	\$	207,542	
Interest on burses		<u>51,193</u>	
	\$		258,735

St. Lucy Daycare

Service fees	169,150	
Nutrition program income	35,356	
Grants	83,931	
Other income	<u>79,222</u>	
		367,659

Cemeteries Office:

Commissions on mausoleum sales	174,385	
Burial fees	4,945	
Other income	<u>36,000</u>	
		215,330

Catholic Charities Programs:

Christmas collection - quota	204,376	
Grants	172,958	
Human development	18,115	
Donations	301,937	
Federal emergency assistance	24,125	
Other income	<u>33,073</u>	
		754,584

Diocesan Insurance Program:

Parish insurance revenue	1,766,614	
High school insurance revenue	518,097	
Other insurance revenue	<u>550,351</u>	
		2,835,062

Assisi Bridge House:

Federal and state grants	142,350	
United Way allocations	57,707	
Service fees	9,149	
Contributions & special events	<u>8,292</u>	
		217,498

Assisi Bridge House Phase IV:

Federal and state grants	21,868	
Service fees	<u>5,156</u>	
		27,024

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**
Schedule of Income of Funded Operations
Year Ended June 30, 2009

<u>Catholic Housing Service:</u>		
Interest earned on designated reserve	23,019	
Grants and donations	<u>32,000</u>	55,019
 <u>Annual Bishop's Appeal:</u>		
Donation income from individuals		851,865
 <u>Drexler Grant Program:</u>		
Oil and gas royalties on Drexler bequest assets		816,716
 <u>Micro Enterprise Program:</u>		
Interest earned on designated reserve		23,173
 <u>Foster Grandparent Program:</u>		
Federal grant	284,202	
State grant	<u>16,607</u>	300,809
 <u>St. Joseph Cemetery:</u>		
Sales of tombs, vaults & crypts	113,730	
Dues, fees and commissions	236,622	
Interest earned on surplus funds	28,300	
Other income	<u>11,851</u>	390,503
 <u>Lumen Christi Retreat Center:</u>		
Retreat fees		240,432
 <u>H-T Publishing Company:</u>		
Advertising	257,889	
Other income	<u>749</u>	258,638
 <u>Central Finance:</u>		
Investment return		1,536,334
 <u>Disaster Services</u>		
Grants and donations		<u>320,973</u>
		<u><u>\$ 9,470,354</u></u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**
Schedule Other Undistributed Funds
Year Ended June 30, 2009

Other Undistributed Funds				Ending Balance (included in Accounts Payable - other)
	Beginning Balance	Receipts	Distributions & Transfers	
<u>Diocesan and National Collections:</u>				
Campaign for Human Development	\$ -	\$ 37,169	\$ 36,947	\$ 222
Peter's Pence collection	17,187	34,836	32,416	19,607
Bishop's Welfare Fund	-	71,001	70,517	484
Christmas Charities	-	204,150	204,150	-
Holy Land	-	31,205	26,432	4,773
Communications	-	23,494	22,872	622
Rice Bowl	-	27,865	26,577	1,288
Latin American Church	-	29,933	29,738	195
Black and Indian missions	-	27,206	26,925	281
Catholic University collection	88	10,368	10,423	33
Catholic Home mission	28,883	34,446	60,750	2,579
Total Diocesan collections	<u>46,158</u>	<u>531,673</u>	<u>547,747</u>	<u>30,084</u>
Total Undistributed Funds - Other	<u>\$ 46,158</u>	<u>\$ 531,673</u>	<u>\$ 547,747</u>	<u>\$ 30,084</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Schedule Seminary Burse Funds
June 30, 2009 and 2008

The following is a listing of burse funds that have been received by the Diocese since the burse program was instituted by the Diocese. These funds are permanently restricted and the principal amount is to remain intact with only the income being used for the purpose of educating seminarians.

	<u>2009</u>	<u>2008</u>
Harry Booker	\$ 19,138	\$ 19,138
Judge & Mrs. L. P. Caillouet	15,000	15,000
Harvey Peltier	460,487	460,387
Endowment fund	119,137	119,137
Fr. Kasimir Chmielewski	4,839	4,839
Mr. George Fakier, Sr.	5,500	5,400
Fr. Peter Nies	5,368	5,368
Mr. & Mrs. John Marmande	700	700
Mr. Elédier Broussard	10,500	10,500
Msgr. Joseph Wester	15,000	15,000
Mr. & Mrs. Caliste Duplantis	50,000	50,000
Rev. Charles Menard	15,000	15,000
Rev. Kermit Trahan	15,000	15,000
H. Clay Duplantis, Sr. and Evelida Daspit Duplantis	25,000	25,000
Msgr. Raphael C. Labit	25,360	25,240
Dr. & Mrs. H. P. St. Martin	20,000	20,000
C. Remie Duplantis	25,000	25,000
Rev. Clemens Schneider	1,000	1,000
St. Jude	3,000	3,000
Mrs. Marie E. Duplantis	25,000	25,000
Maude and Edith Daspit	25,000	25,000
Rev. Henry Naquin	2,826	2,670
Rev. Anthony Russo	650	650
Rev. Adrian J. Caillouet	15,000	15,000
Rev. William M. Fleming	5,000	5,000
Bishop Warren L. Boudreaux	46,000	45,000
Msgr. George A. Landry	10,000	10,000
Diocesan K of C	17,895	16,295
Fr. Victor Toth	7,000	7,000
Catholic Daughters	2,060	1,710
Claude Bergeron	125	125
Anawim Community	1,100	900
J.R. Occhipinti	3,400	3,400
St. Joseph Italian Society	1,000	1,000

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**
Schedule Seminary Burse Funds
June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Mr. & Mrs. Arthur Naquin, Sr.	150	150
Mr. & Mrs. Galip Jacobs	2,000	2,000
Robert Wright, Jr.	15,000	15,000
Warren J. Harang, Jr.	15,400	1,600
Bishop L. Abel Caillouet	15,000	15,000
Monsignor Lucien J. Caillouet	15,000	15,000
Father James Louis Caillouet	15,000	15,000
Vincent Cannata, Sr.	870	870
Rev. Peter H Brewerton	2,600	2,600
Rev. Msgr. John L. Newfield	1,100	1,000
Orleans & Louelle Pitre	15,000	15,000
Minor Sr. and Lou Ella Cheramie	15,000	15,000
Mr. & Mrs. Anthony Cannata	500	500
Kelly Curole Frazier	3,151	2,731
Msgr. Stanislaus Manikowski	1,025	1,025
Mrs. Ayres A. Champagne	1,485	1,475
Harold & Gloria Callais Family	15,000	15,000
Joseph "Jay" Fertitta	1,675	1,325
Rev. Msgr. William Koninkx	2,500	900
Deacon Edward J. Blanchard	260	150
James J. Buquet Jr.	50	50
Msgr. John G. Keller	500	500
Msgr. Emile J. Fossier	1,545	1,545
Rev. H.C. Paul Daigle	1,300	700
Richard Peltier	15,300	200
Brides of the Most Blessed Trinity	900	400
Deacon Robert Dusse'	250	50
Deacon Willie Orgeron	250	50
Donald Peltier	1,100	100
St. Bernadette Men's Club	1,550	-
Peter W. Callais	1,650	-
Rev. Robert J. Sevigny	350	-
Msgr. Francis J. Legendre	1,595	-
Mr./Mrs. Love W. Pellegrin	5,000	-
Sidney J. & Lydie C. Duplantis	2,100	-
	<hr/>	<hr/>
	<u>\$ 1,168,241</u>	<u>\$ 1,118,380</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAux, OFFICES AND INSTITUTIONS**
Schedule of Accounts Receivable
June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<u>Accounts Receivable</u>		
Miscellaneous receivables	\$ <u>555,741</u>	\$ <u>934,907</u>
	\$ <u>555,741</u>	\$ <u>934,907</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
*Schedule of Parish Deposits
June 30, 2009 and 2008*

		<u>2009</u>	<u>2008</u>
01	Amelia, St. Andrew	\$ 66,843	\$ 28,387
02	Chacahoula, St. Lawrence	27,768	41,165
03	Chackbay, Our Lady of Prompt Succor	13,473	66,373
05	St. Charles Community, St. Charles Borromeo	187,646	250,308
06	Morgan City, Holy Cross	356,320	305,194
07	Morgan City, Sacred Heart	305,602	342,603
08	Schriever, St. Bridget	19,524	11,265
09	Thibodaux, St. Genevieve	53,863	-
10	Thibodaux, St. John	56,897	7,890
11	Thibodaux, St. Joseph	877,162	2,236,598
12	Kraemer, St. Lawrence the Martyr	14,989	9,794
13	Raceland, St. Mary's Nativity	-	240,266
14	Mathews, St. Hilary of Poitiers	613,340	795,840
17	Cut Off, Sacred Heart	206,519	181,039
18	Galliano, St. Joseph	581,182	636,616
19	Golden Meadow, Our Lady of Prompt Succor	611,650	550,400
20	Grand Isle, Our Lady of the Isle	464,650	531,531
21	Bayou Black, St. Anthony	457,225	301,586
22	Bayou Blue, St. Louis	31,759	119,099
23	Bourg, St. Ann	242,718	148,603
24	Chauvin, St. Joseph	203,537	387,649
25	Houma, Holy Family	388,586	528,923
27	Houma, Holy Rosary	-	19,967
29	Houma, St. Bernadette	359,076	102,794
30	Houma, St. Francis de Sales	124,167	185,710
33	Pointe-Aux-Chenes, St. Charles Borromeo	-	64,718
34	Theriot, St. Eloi	233,170	136,516
35	Thibodaux, St. Thomas	13,664	2,522
37	Choctaw, St. James Mission	36,185	16,240
38	Thibodaux, St. Luke	26,801	37,358
39	Amelia, Thanh Gia (Holy Family)	336,492	363,346
40	Stephensville, St. Rosalie Mission	71,096	72,556
41	Gheens, The Community of St. Anthony	24,328	73,772
42	Thibodaux, Christ the Redeemer	115,671	104,146
43	Houma, St. Lucy	3,303	-
		<u>\$ 7,125,206</u>	<u>\$ 8,900,774</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAux**
*Schedule of Parish and School Loans Receivable
June 30, 2009 and 2008*

		<u>2009</u>	<u>2008</u>
09	Thibodaux, St. Genevieve	\$ -	\$ 39,711
13	Raceland, St. Mary	1,262,172	-
15	Lockport, Holy Savior	216,237	368,675
16	Larose, Our Lady of the Rosary	79,520	126,243
26	Houma, Annunziata	334,243	499,534
27	Houma, Holy Rosary	23,553	-
28	Houma, Maria Immacolata	497,427	359,029
31	Houma, St. Gregory	15,418	62,968
32	Montegut, Sacred Heart	71,465	7,637
33	Pointe-aux-Chenes, St. Charles	57,930	-
43	Houma, St. Lucy	-	148,798
152	Houma, Vanderbilt Catholic High School	860,768	882,348
153	Thibodaux, Edward Douglas White High School	<u>2,240,454</u>	<u>62,174</u>
		<u>\$ 5,659,187</u>	<u>\$ 2,557,117</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Institutional Deposits
June 30, 2009 and 2008

		<u>2009</u>	<u>2008</u>
06	Morgan City, Holy Cross	\$ 831,951	\$ 726,955
09	Thibodaux, St. Genevieve	1,847,767	1,706,482
11	Thibodaux, St. Joseph	2,597,950	2,537,266
13	Raceland, St. Mary's Nativity	393,855	400,715
15	Lockport, Holy Savior	398,952	519,368
16	Larose, Our Lady of the Rosary	534,504	515,553
28	Houma, Maria Immacolata	572,365	531,663
29	Houma, St. Bernadette Soubirous	1,335,639	1,346,702
30	Houma, St. Francis de Sales	2,948,693	3,028,115
31	Houma, St. Gregory	173,731	275,444
151	Central Catholic High School	750,205	778,718
152	Vandebilt Catholic High School	3,963,541	4,084,688
153	Edward Douglas White High School	4,415,885	4,892,164
430	St. Francis Prepaid Tuition	57,994	70,628
453	Edward Douglas White Foundation	231,193	207,404
		<u>\$ 21,054,225</u>	<u>\$ 21,621,865</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX**
*Schedule of Cemetery Operating Deposits
June 30, 2009 and 2008*

		<u>2009</u>	<u>2008</u>
01	Amelia, St. Andrew	\$ 24,732	\$ 22,848
02	Chacahoula, St. Lawrence	4,956	4,009
03	Chackbay, Our Lady of Prompt Succor	299,132	292,651
04	Gibson, St. Patrick	7,611	7,350
05	St. Charles Community, St. Charles Borromeo	125,320	189,612
08	Schriever, St. Bridget	90,599	101,268
10	Thibodaux, St. John the Evangelist	103,320	106,872
11	Thibodaux, St. Joseph	812,495	797,403
12	Kraemer, St. Lawrence the Martyr	41,948	35,817
13	Raceland, St. Mary's Nativity	586,605	557,086
14	Mathews, St. Hilary of Poitiers	342,429	326,588
15	Lockport, Holy Savior	235,630	210,759
16	Larose, Our Lady of the Rosary	257,036	263,412
17	Cut Off, Sacred Heart	372,710	407,190
18	Galliano, St. Joseph	97,687	90,927
19	Golden Meadow, Our Lady of Prompt Succor	85,172	106,703
22	Bayou Blue, St. Louis	194,370	275,733
23	Bourg, St. Ann	286,407	274,754
24	Chauvin, St. Joseph	1,013,723	976,831
25	Grand Caillou, Holy Family	151,886	149,865
27	Houma, Our Lady of the Most Holy Rosary	554,754	615,557
30	Houma, St. Francis de Sales	463,226	385,210
32	Montegut, Sacred Heart	179,572	180,033
33	Pointe-Aux-Chenes, St. Charles Borromeo	168,571	166,920
34	Theriot, St. Eloi	329,876	317,311
37	Choctaw, St. James Mission	88,414	100,224
41	Gheens, St. Anthony	24,014	27,981
		<u>\$ 6,941,995</u>	<u>\$ 6,990,914</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Parish and School Endowment Funds
June 30, 2009 and 2008

		<u>2009</u>	<u>2008</u>
Parish Endowments:			
06	Morgan City, Holy Cross	\$ 170,000	\$ 160,000
08	Schriever, St. Bridget	145,000	145,000
09	Thibodaux, St. Genevieve	500,000	500,000
11	Thibodaux, St. Joseph	2,000,000	2,000,000
14	Matthews, St. Hilary	116,546	111,442
15	Lockport, Holy Savior	50,000	50,000
18	Galliano, St. Joseph	480,000	480,000
24	Chauvin, St. Joseph	2,366,179	2,066,179
27	Houma, Holy Rosary	25,841	25,841
30	Houma, St. Francis de Sales	535,030	535,030
		<hr/>	<hr/>
	Total Parish Endowments	<u>\$ 6,388,596</u>	<u>\$ 6,073,492</u>
School Endowments:			
06	Morgan City, Holy Cross	\$ 1,160,000	\$ 1,110,000
09	Thibodaux, St. Genevieve	111,100	109,100
11	Thibodaux, St. Joseph	3,006,550	3,006,550
13	Raceland, St. Mary	17,044	17,044
15	Lockport, Holy Savior	100,000	100,000
16	Larose, Our Lady of the Rosary	324,767	324,767
29	Houma, St. Bernadette	203,053	200,471
30	Houma, St. Francis de Sales	187,868	184,888
151	Central Catholic High School	1,151,000	1,100,000
152	Vandebilt Catholic High School	617,558	536,158
153	Edward Douglas White High School	2,411,013	2,357,346
		<hr/>	<hr/>
	Total School Endowments	<u>\$ 9,289,953</u>	<u>\$ 9,046,324</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA THIBODAUX, OFFICES AND INSTITUTIONS**
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2009

Federal Granting Agency/Recipient State Agency/Grant Program	GRANT NUMBER	CFDA NUMBER	FEDERAL EXPENDITURES
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Pass through payments from State Dept. of Health and Hospitals			
Block Grants for Prevention and Treatment of Substance Abuse	587197/589291	93.959	\$ 164,218
Temporary Assistance for Needy Families		93.558	17,354
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>			
<u>Direct Programs:</u>			
Foster Grandparent Program	04SFWLA003	94.011	284,202
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass through payments from Catholic Charities USA			
Housing Counseling Assistance Program	N/A	14.169	15,000
Pass through payments from TPOG			
Community Development Block Grant	N/A	14.218	15,000
<u>DEPARTMENT OF HOMELAND SECURITY</u>			
Pass through from Department of Military Affairs			
Public Assistance Grants	N/A	97.036	1,510,601
<u>DEPARTMENT OF AGRICULTURE</u>			
Pass through payments from State Dept. of Education			
Child and Adult Care Food Program	CC93-362	10.558	35,356
Total program expenditures			<u>\$ 2,041,771</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts on this schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009**

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses a qualified opinion on the financial statements of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions (Diocese).
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. One instance of noncompliance material to the financial statements of the Diocese was disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award program are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award program for the Diocese expresses an unqualified opinion on the major federal programs.
6. No audit findings relative to the major federal award program for the Diocese are reported in this Schedule.
7. The programs tested as a major program include:

Public Assistance Grants – CFDA No. 97.036.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The Diocese was not determined to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

2009-1 DEPARTURES FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Condition: Several departures from accounting principles generally accepted in the United States of America were noted in the independent auditors' report on the financial statements.

Criteria: Louisiana audit laws require quasi-public entities prepare financial statements in accordance with generally accepted accounting principles.

Cause: Management believes the cost of correcting these departures from generally accepted accounting principles exceeds the benefit to the organization.

Effect: The departures result in a qualified opinion on the financial statements.

Recommendation and Response: See Management's Corrective Action Plan.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

None

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A PROFESSIONAL CORPORATION

THOMAS J. LANAUX, CPA
MARK S. FELGER, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

His Excellency
Most Reverend Sam G. Jacobs, D.D.
Bishop of the Diocese of Houma-Thibodaux

We have audited the consolidated financial statements of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions (Diocese), as of and for the year ended June 30, 2009, and have issued our report thereon dated December 23, 2009, which was qualified as follows:

- As discussed in Note 1 to the consolidated financial statements, a provision for depreciation expense has not been provided, and
- As discussed in Note 1 to the consolidated financial statements, the statements do not include the operations of the high schools owned and operated by the Diocese, nor do they include certain assets, liabilities, and net assets of the high schools, and
- As discussed in Note 10 to the consolidated financial statements, the Diocese did not obtain an actuarial valuation of its priest pension liability within 90 days of year-end and was not able to develop certain pension information within 90 days of year-end for inclusion and disclosure in the consolidated financial statements, and
- As discussed in Note 10 to the consolidated financial statements, the Diocese did not obtain an actuarial valuation of its liability for postretirement health care benefits within 90 days of year-end and was not able to develop certain information within 90 days of year-end for inclusion in the consolidated financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Diocese's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Diocese's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Diocese's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of

the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Diocese's financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2009-1.

The Diocese's response to the finding identified in our audit is described in the accompanying Management's Corrective Action Plan. We did not audit the Diocese's response and, accordingly, we express no opinion on it.

This report is intended for the information of the finance council, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Houma, Louisiana
December 23, 2009

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

His Excellency
Most Reverend Sam G. Jacobs, D.D.
Bishop of the Diocese of Houma-Thibodaux

Compliance

We have audited the compliance of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions (Diocese) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2009. The Diocese's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the Diocese's management. Our responsibility is to express an opinion on the Diocese's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Diocese's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Diocese's compliance with those requirements.

In our opinion, the Diocese complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009.

Internal Control over Compliance

The management of the Diocese is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Diocese's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing our opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Diocese's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent

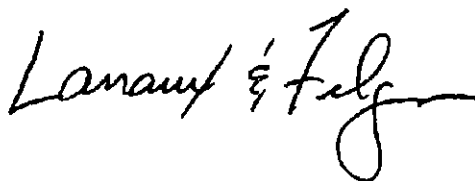
or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a type of control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of the finance council, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Houma, Louisiana
December 23, 2009

A handwritten signature in black ink, appearing to read "Lanauy & Felger". The signature is written in a cursive, flowing style with a large, stylized initial 'L'.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBOD AUX, OFFICES AND INSITUTIONS
SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended June 30, 2009**

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2008-1 Investments

Condition: Realized losses on investments totaling \$205,052 were not recorded in the general ledger because one of the investment accounts was not reconciled at year end.

Recommendation: All investment accounts should be reconciled to the general ledger periodically.

Current Status: The recommendation was adopted during the fiscal year ended June 30, 2009. No similar findings were noted in the current audit.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings were reported for the year ended June 30, 2008.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS
MANAGEMENT'S CORRECTIVE ACTION PLAN
Year Ended June 30, 2009**

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2009-2 DEPARTURES FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Condition: Several departures from accounting principles generally accepted in the United States of America were noted in the independent auditors' report on the financial statements.

Recommendation: Management should evaluate the costs of correcting the departures from generally accepted accounting principles and assess the effects these departures have on the financial condition and results of operations of the organization.

Management's Response: At this time, management believes the costs of correcting the departures from generally accepted accounting principles noted in the auditors' report exceed the benefits to the organization.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings were reported which require a response from management.